



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

Lawrence P. Novak, Treasurer  
Massachusetts Republican Party  
21 Milk Street, 4<sup>th</sup> Floor  
Boston, MA 02109

MAY 11 1999

Identification Number: C00042622

Reference: Year End Report (11/24/98-12/31/98)

Dear Mr. Novak:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Please provide the total(s) for Line 6(d), Column B of the Summary Page. Note that changes in your figures may affect your Column B totals on this report and/or on subsequent reports.

-The Detailed Summary Page, on Line 18 Column B of your report, discloses \$1,276,572.89 in transfers from the non-federal account for joint activity for the calendar year. However, Line 21 (a)(ii) Column B discloses \$616,692.95 as the non-federal share for joint activity for the calendar year. While the non-federal account is permitted to transfer funds to the federal account for allocable activity, transfers from the non-federal account for amounts greater than the non-federal share of allocable activity are prohibited by 11 CFR §102.5(a)(1)(i). Please clarify this discrepancy.

The Commission recommends that you immediately transfer back to the non-federal account, the amount which was transferred to the federal account in excess of the non-federal share. Although the Commission may take further legal action concerning this prohibited activity, your prompt action will be taken into consideration.

-Your report discloses a loan received in the amount of \$50,000; however,

Schedule C-1 has not been provided. Any political committee that receives a loan or line of credit from a lending institution must file Schedule C-1, along with a copy of the loan agreement, with the first report in which the obligation is incurred and each time a loan or line of credit is restructured to change the terms of repayment or each time a draw is made on a line of credit. Please provide the omitted schedule. 11 CFR §104.3(d)(1)

-On Schedule D of your previous report, you disclosed a debt(s) owed to the Massachusetts Republican State Committee. This obligation(s), however, has been omitted from this report. Please amend your report to include this debt(s) on Schedule D and Line 10 of the Summary Page. All debts and obligations must be disclosed until extinguished. 11 CFR §104.11

-Please provide a Schedule H3 to support the entry reported on Line 18 of the Detailed Summary Page. All transfers received from a committee's non-federal account for joint activity must be itemized on Schedule H3 regardless of the amount transferred. 2 U.S.C. §434(b)(3)(D)

-Your report includes computer produced formats of Schedules C and D. Computer produced formats may only be used upon prior approval of the Commission. You should submit a separate sample format with a cover letter requesting approval. Until your format has been approved, FEC forms must be used. 11 CFR §104.2(d)

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 694-1130.

Sincerely,

*Debbie A. Chacona*

Debbie A. Chacona  
Senior Reports Analyst  
Reports Analysis Division

